

**Projects Eligible for  
State Financial Assistance  
Commonwealth Airport Fund**

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Capital improvement projects/items which are eligible for Commonwealth Airport Funds under the Airport Capital Improvement Program include the following:

1. Engineering, Environmental, Administrative, and Legal Costs - required as a result of an eligible project. The cost of services for an approved eligible project is retroactively reimbursable at the time that the project is constructed. Engineering design may be performed as a separate grant prior to the construction portion of a project. Approved preliminary planning or engineering work required for a grant is eligible for retroactive reimbursement. However, projects associated with "engineering only" or "environmental only" are not eligible for retroactive reimbursement. Any design revisions due to changes in standards, codes, or laws will not be eligible for reimbursement.
2. Airport Planning and Environmental Studies for the purposes of future planning and investigating environmental impacts. Such studies include Airport Master Plans and Updates, Regional System Planning Studies and Airport Site Selection and Feasibility Studies, Airport Layout Plans and Terminal Planning Studies. Environmental studies include Environmental Assessments and Impact Statements; FAR Part 150 Noise Studies; Historic, Architectural, Archeological, and Cultural Resources Surveys (FAR Part 106); Land-Use Plans; Airport Access Studies; and Storm Water Pollution Prevention Plans and Spill Prevention Plans.
3. Land Acquisition for airport facilities as well as approach, runway protection and transition zones in accordance with Federal Aviation Regulations (Part 77) or Virginia Aviation Regulations (24 VAC 5-20-140). Others include land for airport ground access to the nearest public highway, environmental protection and approach light systems. In the case of a privately-owned, public-use airport, the airport must be designated as a Reliever in order for a land acquisition to be an eligible project. In order to be eligible, the land to be acquired must be shown on the approved ALP as being required as airport property and the land must be appraised for value and just compensation made to the property owner.

Acquisition may take the form of either Fee Simple or Easement, depending on the interest required or desired. For example, land required for construction of airport facilities must be acquired in fee simple. On the other hand, easement interest may be sufficient for land to be acquired for peripheral areas of the runway protection (RPZ) or transition zones or extending for short distances beyond the RPZ. Acquisition may also take the form of donation or exchange. In any case, land must be purchased in (Land Acquisition-continued)

## Appendix B

accordance with the Code of Virginia, Uniform Relocation Assistance & Real Property Acquisition Policies Act of 1972. When land must be acquired, all legal and appraisal costs required by the Act for the purchase is eligible for state funding participation. Land acquired by eminent domain (condemnation) is also eligible along with the court costs and attorney fees to bring the condemnation and represent the airport sponsor in the case.

Land differs from other eligible items in that its value will generally increase over time. As such, the assurances which are a part of the Grant Agreement between the Sponsor and the Commonwealth go with the airport in perpetuity and are not limited to twenty years, as is the case with items of planning or construction. Land which has been acquired with state funds and has been determined that it is not required for future airport development, may be disposed of in accordance with state law and/or federal regulations. In such cases, the Commonwealth may require reimbursement on the basis of the sale price rather than the original purchase price or may require that portion of those proceeds from the sale be reinvested into the airport as the state's share of an eligible project's cost.

4. Clearing and Grubbing of airport property or easement required for airport facility construction; obstruction removal in accordance with Virginia Aviation Regulations (24 VAC 5-20-140) or Federal Aviation Regulations Part, 77, ground access facilities, and navigational aids.

5. Grading, Paving and Drainage is related to facilities located on airport property except for revenue-producing auto parking or facilities leased to airport tenants. The site preparation for sponsor-owned or public-use hangars is considered an eligible project. Site preparation for corporate-owned or exclusive-use facilities is not eligible for funding.

a. Paving of runways, public-use taxiways, public apron and tie-down areas, corporate hangar aprons (where the hangar is owned and maintained by the sponsor), automobile parking (non-revenue producing) and access roads. Pavement overlays and pavement rehabilitation will be funded where it has been determined that there is a strength deficiency, an unsafe condition, or a requirement to preserve a facility which would otherwise develop into an unsafe or unusable public facility. Taxiways serving T-hangars are eligible for state participation. Pavement grooving is eligible when justified.

b. Public-use taxiways serving industrial parks which are established or proposed and included in the local jurisdiction's approved Comprehensive Land Use Plan are eligible. Land on which the taxiway is to be constructed must be dedicated as airport property for a period of at least 20 years and state funding participation cannot exceed 1/3 of the eligible project's cost.

c. Access Roads – Allocations for access road projects are approved by the Commonwealth Transportation Board (CTB). The Program involves grants to help fund certain types of road construction for the purpose of developing or improving airport access at licensed /

public use airports. VDOT consults with the Department of Aviation for recommendations and concurrence on all airport access projects. Any roadway constructed under this program shall become part the secondary system of state highways or the road system of the locality in which it is located.

An eligible sponsor under the Airport Access Program must be a county, city or town in which a licensed public use airport is within its jurisdiction. An airport sponsor or owner may not apply directly to the CTB. All airport sponsors wishing to apply for funding under this program must do so through their local governing body.

Eligible projects are divided into two categories. The first category is a new access road and the second category is an upgrade to an existing access road. A new access road would be for a new airport or for a new facility being constructed on airport property (such as an air cargo apron or buildings). The upgrade to an existing road would be for such things as widening and adding turning lanes for new development. Eligible project items consist of those items necessary for the design and construction of an adequate roadway facility to serve traffic generated by the airport's operation. Ineligible items normally include such features as storm sewers, curb and gutters, sidewalks, landscaping, and any pavement in excess of that required to serve the traffic estimated to result from the development of the airport. Normally, a two lane rural typical section shall be constructed but additional lanes will be considered, if warranted by existing or projected traffic volumes. The CTB shall make the final determination as to the eligibility of any project or project items incorporated into the roadway project.

Application procedures under this program begin with a formal request to the local VDOT resident engineer's office. A preliminary meeting involving the resident engineer, airport sponsor, local governing body contact, and a representative of the Department of Aviation is advised prior to the submittal of a project request. This meeting should outline the location, cost and design considerations of the roadway project. After this meeting the sponsor should request a supporting resolution from the local governing body or jurisdiction in which the roadway will be located. This resolution along with a project description and justification, project cost estimate, and a drawing showing the project limits and any necessary details shall be forwarded to the resident engineer's office. Any additional information which may help describe or justify the project should be submitted to VDOT for review in order to make a fair determination on the merits of the project.

The resident engineer will forward the application through appropriate VDOT channels to the Secondary Roads Division for a recommendation to the CTB. The application should be submitted at least three (3) months in advance of the monthly CTB meeting at which approval is requested. The locality and airport sponsor shall be notified of the CTB action. No work may begin on any project prior to the approval of the Commonwealth Transportation Board.

An additional allocation may be made by the CTB for extenuating circumstances.

The CTB has placed certain limitations on available funds for airport access projects. Under this program a locale may receive up to \$300,000 of unmatched funds and an additional \$150,000 of matched funds at a dollar for dollar match. Maximum funding would result in a split cost of \$450,000 (VDOT) and \$150,000 (local) for a phased project at the discretion of the CTB.

The locality shall be responsible for providing any matching share to the project from sources other than those administered by the Commonwealth Transportation Board. In addition, the locality shall provide clear title to the right of way as prescribed by VDOT and incur the cost for utility adjustments, environmental studies and Permits.

6. Airport Lighting for runways, taxiways and aprons, to include high and medium intensity edge lighting, Approach Lighting Systems, Runway End Identifier Lights, guidance signs, rotating beacons and obstruction lighting.

7. Airport Rescue & Fire Fighting Equipment (ARFF) - ARFF equipment is eligible for state funding where mandated by federal certification requirements (FAR Part 139). State funding is available for 150 lbs. fire extinguishers for use on the public-use ramps

8. Airport Rescue and Fire Fighting Buildings - At airports where federal certification requirements under FAR Part 139 require ARFF equipment.

9. Snow and Ice and Removal Equipment - On commercial service airports, in accordance with their approved Snow Removal Equipment Plan. Aircraft deicing equipment is not eligible. For snow removal equipment at noncommercial airports, see the Maintenance Equipment Program in Chapter 5, Section V.

10. Security Fencing & Access Control Systems - where mandated by federal certification requirements and at other airports that are able to display a specific requirement to protect airport facilities or aircraft from vandalism and/or to prevent runway incursions.

11. Perimeter Fencing - for boundary delineation and animal control.

12. Visual Aids and Communications - such as segmented circles, vertical guidance visual aids, wind indicators, automated weather equipment, and safety items such as wind shear and runway condition sensors.

a. Visual Aids

- 1) Bar Alignment - Visual Approach Slope Indicator (BA-VASI)
- 2) Precision Approach Path Indicators (PAPI).
- 3) Reflector markers for taxiways & ramps
- 4) Wind cones/Supplemental wind cones

b. Communications Equipment

- 1) Unicom
- 2) Ground Communication Outlet (GCO)

c. Weather Reporting Equipment

- 1) Electronic wind speed/direction
- 2) Automated Weather Observing Systems (AWOS)
- 3) Weather Briefing Equipment

13. Utilities - such as electrical, water and sewer which serve eligible public-use facilities within the airport property limits. The cost of utilities serving both public and non public areas will be prorated on the basis of the percentage of the public area to the total building area.

14. Relocation of Non-airport-Related Facilities - which are required as a result of interference with approved development; obstruction to navigable airspace in accordance with FAR Part 77, Virginia Aviation Regulations (24 VAC 5-20-140); or will be impacted by the development or the proposed use in a manner that indicates removal or relocation is necessary.

15. Debt Service Retirement - for eligible items using Air Carrier entitlement funds only.

16. Fuel Storage System Removal and Construction/Installation - The cost of removing sponsor-owned systems that do not comply with Federal Environmental Protection Agency (EPA) requirements are eligible for reimbursement. In addition, the installation of a new system that meets the EPA requirements and is to be owned by the sponsor is eligible. The Board has placed a ceiling on state funding for any one, or combination of fuel storage related projects of \$125,000. This ceiling continues in perpetuity. The actual amount of state funding will be determined as follows:

a. Old System Removal

All costs associated with removing and closure of an old, non-complying, sponsor-owned system shall be eligible for 80% state funding. (Environmental clean-up funds may be available-check with the Department of Environmental Quality which mandates removal of old, non-complying systems before the installation of the new system.)

b. New System Construction and Installation

<u>Estimated Annual Fuel Flowage</u>	<u>State Participation</u>
0 - 75,000 (gallons)	2/3 (of total cost)
75,001 - 150,000	1/2
150,001 and over	1/3

17. Storage Buildings - Storage buildings for the protection of airport maintenance equipment will be funded at 80% state, 20% local. A basic building with a maximum size of 1,250 square feet. The cost of all expansions and upgrades to include all utilities will be the sponsor's responsibility and paid for by the sponsor.

18. Obstruction Removal/Lighting and Minimum Standards Projects - Obstruction removal/lighting and projects which are to bring airports into compliance with Virginia's Minimum Standards for Licensing (see Virginia Aviation Regulations [24 VAC 5-20-140]), shall be funded at the rate of 90% state and 10% local. Note: It is the Board's intent that the Commonwealth should provide financial assistance for clearing of obstructions once, and thereafter, a sponsor should have the capability to maintain those areas without having to seek funding under the Maintenance Program. Therefore, after June 30, 1999, in areas where the sponsor has acquired adequate property interest that have been previously clear-cut, or cleared-and-grubbed using state financial assistance, it will be the sponsor's responsibility to maintain these areas free and clear of obstructions without financial support from the Commonwealth. In those instances where the sponsor has acquired the right to only "top" trees, maintenance of these areas will continue to be eligible. Other cost-effective methods of limiting tree growth such as controlled spraying, are eligible under this program.

19. Site Preparation for Hangar Construction - Hangar construction is not an eligible item for Commonwealth Airport Funding, but the preparation of the site for a hangar may be. Board policies regarding the commitment of public funds for eligible facility construction can make the funding of hangar site preparation a challenging issue depending upon the hangar's ownership, tenants and the agreement between the two. Airports as well as private developers

recognize that there is a strong demand for these facilities and they are excellent revenue generators. This can result in creative public/private partnerships that may not pass the *public-use test* that must be met when Commonwealth Airport Funds are involved. Therefore, it is imperative that sponsors understand the conditions that must be met in order to be eligible for state funding participation.

Site preparation for a hangar which is constructed for exclusive, permanent proprietary use is not eligible for state funding, however, sponsors may receive an tentative allocation of eighty-percent (80%) of the eligible construction cost for hangar site preparation under the following conditions.

a. Sponsor-Owned Hangars:

- 1) T-hangars – Small enclosures for individual aircraft storage which are owned by the airport sponsor and will be leased by the sponsor for a fixed term, on a nondiscretionary bases to individual aircraft owners.
- 2) Clear span hangars - Large hangars leased by the sponsor to a single or multiple tenants on a non-discretionary basis.

b. Privately-Owned Hangars:

Hangars that are constructed for public use by a private party on airport property where the property is the subject of a fixed term lease. The proposed site is to be leased for a fixed term and the hangar will, at the end of the term, become the property of the airport sponsor. As required by Section 5.1-40 of the Code of Virginia, all leases must be approved by the Department prior to the execution of any grant agreement for hangar site preparation.

The work items generally encompassed by hangar site preparation include grading, drainage, turfing, paving for public access and parking on both air and land side and possibly lighting for security. Appurtenances to site work will be guided by the local building code as approved by the Department. Construction of the hangar is not eligible for state funding nor are specialty items associated with identification, beautification or pedestrian accommodation such as signage, shrubbery or sidewalks, et cetera.

## 20. Terminal Buildings

- a. General - Terminal development for the purpose of accommodating passengers and cargo are eligible for state financial assistance on both air carrier and general aviation airports. Depending upon available funding, this assistance will provide up to 100% of the cost

of design and construction of public-use, non-revenue producing areas of such facilities, not to exceed 90% of the total project cost to include the building design, site preparation and utilities. The Department shall have the authority to approve or reject any design, methods and materials. Any and all costs for a terminal building which exceed these standards shall be borne entirely by the airport sponsor.

b. Project Study Requirement - Prior to funding terminal design or construction, an approved terminal study addressing the following must be completed. NOTE: Terminal studies are not required for Local Service Airports.

1) Project Description - Describe in detail the facility that the sponsor desires to construct. Define the aviation sector that it will serve (e.g. general aviation, commercial service). If the facility is a replacement for an existing structure, explain why a new terminal is needed.

2) Justification - Provide facility requirement information that justifies the construction of a new terminal, the expansion of an existing terminal, or the replacement of an existing structure. Justification shall include demand data such as enplanements and aircraft operations. The justification shall also include 5, 10, and 20 year forecast of demand. If the facility is required to satisfy critical development or compliance standards, provide a detailed explanation.

3) Project Schedule - Provide a schedule that includes: scoping meeting, project review, public meetings and final presentation.

4) Conceptual Analysis - What is the purpose of the projects? What airport/aviation functions will be provided for by the project? Will there be functions that are not now provided for on the field? Why? Are special needs unmet by other facilities?

5) Geometric Design - special relationships, positioning of facilities, building shapes, circulation, observation of airport activities, conference activities, space allocation based upon planning data.

6) Deviation from Standards - Provide justification for deviation from industry design practices and FAA or state design criteria.

7) Construction Cost Analysis - Discussion of building materials, support systems such as HVAC, roof drains, footing drains, utilities (water/sewer, electricity).

8) Project Cost and Project Budget - Sources of funding, etc.

c. Terminal building component eligibility – As a rule of thumb, public common-use areas that are directly related to the movement of passengers and baggage in the air carrier or general aviation terminal facilities within the boundaries of the airport are eligible under this program. Typically, these areas include baggage claim delivery areas and associated automated baggage handling equipment; public-use corridors to boarding areas to include loading bridges; central waiting areas (with associated furniture to serve the public); public restrooms; holding areas for air freight loading/unloading; and public-use, pilot waiting and flight planning areas. Also eligible are rooms which are dedicated to the housing of heating, ventilating, air conditioning and utilities serving the public-use areas; as well as those areas devoted to storage of janitorial equipment for the purpose of accommodating public health and safety. ***These “joint-use” rooms will be prorated based upon the public-use area of the terminal building.*** An exception to the public-use rule is conference rooms that will be utilized for the purpose of meetings with industrial or business prospects. The Board will participate in the construction of a maximum of 400 square feet of conference space in an airport terminal. This space may also be made available, on an expense-defraying basis, for meetings and conferences for groups or companies. Economic development uses should have priority over others.

1) Loading Bridges. The fact that public-use areas or facilities (such as loading bridges or passenger movement vehicles) are subject to a lease where monies are recovered to defray maintenance, and operating costs of the facility will not make such areas non-public and thus ineligible for funding. In addition, the fact that areas may be limited in use for reasons of security or for processing international passengers for example, should not automatically affect eligibility.

2) Public Space. Incidental use of public space for display or advertising and vending machines for public convenience will not render an area ineligible. However, the costs associated with building adaptation for the installation of these items are not eligible. Also, areas designed to accommodate nonessential functions such as cleaning and laundry areas, public lockers, and game rooms, are not eligible.

3) Vehicles. Vehicles which are used exclusively within the boundaries of the airport to move passengers between or within terminal facilities are eligible.

4) Federal Inspection Facilities. Construction or improvement of federal inspection facilities, (e.g., U.S. Customs) including baggage handling equipment are eligible, with the exception of administrative office space and special purpose equipment. Airport sponsors may not charge for the use of this space or equipment.

5) Fixed Facilities. Fixed terminal facilities and equipment including boarding (Terminal Building-continued)

devices required by 49 CFR 27 for access by the handicapped are eligible provided:

- a) They are an integral part of the design of new terminal construction, or are incidental to a major terminal renovation, or are required by amendment to existing federal or state law;
- b) They are not minor items of personal property such as telephones, fax machines, teletypewriters, etc.; and;
- c) Other terminal development eligibility criteria are met.

Local Service Airports. Since local service airports are not eligible for expanded facilities, eligible terminal construction has been limited to a maximum of 1,200 square feet of public-use, non-revenue producing space. This space will provide for passenger/pilot lobby, vending area, flight planning area, restrooms, storage, mechanical rooms and circulation. The sponsor shall make every effort and direct its engineers and architects to choose design construction methods and materials that will maximize public investment. The state share is limited to 90% of the total eligible project costs.

6) Intermodal Terminal Buildings. Subject to the requirements of Terminal Buildings, state funds may be used to develop an intermodal, public-use terminal located within the boundaries of the airport.

a) Intermodal terminal buildings serve as an interchange for passengers and baggage between two or more modes of transportation which operate on a scheduled basis under a franchise or similar authority granted by a federal, state, or local agency with connecting route structures that extend beyond the local service area.

b) Only those portions of the building which are directly related to air commerce are eligible.

7) Prorating Terminal Building Work. Terminal Building projects will usually involve work in both eligible and ineligible areas. State participation may be determined by the following or other methods, as appropriate (and may be used for other eligible airport buildings):

a) Detailed Cost Analysis - A detailed analysis is undertaken by the sponsor's design firm and prepared on the basis of assigning costs to eligible areas under these guidelines. This analysis would also prorate costs for items such as site preparation, foundations, and utilities that contribute to public-use areas. This method of proration is particularly applicable to new terminal construction.

b) Proration on a Square Footage Basis - Construction costs are prorated on the ratio of the square footage that eligible areas bear to the total usable square footage of the structure.

The proration of costs for eligible items are also based on this ratio. This method of proration is particularly applicable to determining the state share of financial assistance for existing terminal facilities. The Department has a model to assist in computing eligible terminal costs. The Department will provide any sponsor and his architect/engineer with the results of the model calculation if needed.

**8) *Site Preparation. All site preparation that is required to raise a terminal building, as well as preparation of a nominal area five feet outside of the perimeter of the terminal building's foundation, is eligible for funding at the same prorated basis of funding for the terminal building.***

9) Terminal Building Furniture. Purchase of new furnishings for terminal buildings are eligible at 100% of the public-use portion. This would normally include seating for waiting areas, conference rooms, and pilot lounges. Excluded from this would be any artwork, plants or electronic devices such as stereos, CD players, radios, televisions and display cabinets. This is not subject to the 90% limitation. Replacement furnishings for public use areas are also eligible for state funding at 50% of the cost.

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